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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/319,093	08/16/1999	MIN-JAE HAN	6715/57089	2372

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JAY H MAIOLI  
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1185 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

EXAMINER

HAYES, JOHN W

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 07/20/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/319,093

Applicant(s)

HAN, MIN-JAE

Examiner

John W Hayes

Art Unit

3621



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 26 May 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 28 May 1999 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

Art Unit: 3621

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 26 May 2004 has been entered.

### ***Status of Claims***

2. Applicant has amended claims 1 and 11 in the amendment filed 30 March 2004 and previously canceled claims 19-45. Claims 1-18 remain pending and are again presented for examination.

### ***Response to Arguments***

3. Applicant's arguments filed 03 November 2003 have been fully considered but they are moot based on the new grounds of rejection.

### ***Claim Rejections - 35 U.S.C. ' 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Art Unit: 3621

5. Claims 1-18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ball et al. (Ball hereinafter: EPO 0 309 298) in view of Suzuki, U.S. Patent No 5,850,527, Yoshioka, U.S. Patent No. 4,964,109 and Freeny, Jr., U.S. Patent No. 4,528,643.

**Re claim 1:** Ball discloses a record/playback apparatus comprising:

a record/playback unit (Figure 1) for reading out data from a first recording medium (Figure 1, Hi-Fi Audio Tape Player) and recording the data onto a second recording medium (Video tape) according to different speeds (Page 3, line 60-Page 4 line 27); and

a control unit (Figure 1; Page 6, lines 20-25 and 38-48; Page 7, lines 2-5) for controlling the record/playback unit to start the recording of data from the first medium to the second medium; and configured to generate basic data for imposing payment (Page 3, lines 6-15 and 32-38; Page 5, lines 15-22) based on a copyright holder ID read from the first recording medium (Page 3, lines 7-20; Page 5, lines 15-22), data indicative of a user identification (Page 3, lines 15-20) and configured to transmit the basic data for imposing payment and configured to cause the record/playback unit to start the recording of the data read out from the first recording medium onto the second recording medium (Page 3, lines 5-20 and 32-37; Page 5, lines 15-22) at the dubbing speed selected by the user (Page 3, line 60-Page 4 line 27).

a payment imposing unit configured to determine an amount of payment based on a variety of factors such as copyright holder ID and royalty payments to owners and allowing the control unit to start the recording once payment has been completed (Page 3, lines 5-20 and 32-37; Page 5, lines 10-22; Page 9, lines 45-48).

Ball, however, fails to specifically disclose wherein the payment imposed upon the user is based upon the dubbing speed selected by the user and causing the record/playback unit to start the recording of the data read out from the first recording medium onto the second recording medium at a standard dubbing speed without transmitting the basic data to the payment imposing unit.

Art Unit: 3621

Susuki discloses an information providing apparatus that enables user selected information to be recorded and also enables the user to select a speed at which the information is transmitted and recorded to a local terminal (Col. 9, lines 58-64; Col. 10, lines 8-43; Col. 14, lines 1-7 and 54-67) and further teaches wherein the payment imposed on the user is based on the transmission or recording speed selected by the user (Figures 13-14 and 17-18; Col. 6, lines 43-49 and 55-60; Col. 13, lines 24-48 and Col. 20, lines 30-35). Thus, it would have been obvious to one having ordinary skill in the art at the time of applicant's invention to modify the method of Ball and adopt the teachings of Suzuki and incorporate the ability to charge different fees based upon the recording speed. Suzuki provides motivation by indicating that this would provide more flexibility due to the fact that the user can be charged a fee based upon the quality and value of the information provided (Col. 5, lines 1-5; Col. 6, lines 55-60; Col. 20, lines 30-35).

Ball further discloses setting the dubbing speed to 1, 8 or N times, wherein 1 would indicate a standard speed for recording, however, fails to disclose causing the record/playback unit to start the recording of the data read out from the first recording medium onto the second recording medium at a standard dubbing speed without transmitting the basic data to the payment imposing unit. Yoshioka discloses digital disc reproduction system and teaches a record/playback unit to read data from a first recording medium (Figure 2, CD Player 12) and record onto a second recording medium (Figure 2, cassette recorder 11). Yoshioka further teaches a control unit (microcomputer) for controlling the recording operation in fast speed dubbing mode as well as standard speed dubbing mode using a selector switch (Col. 5, lines 7-20). Yoshioka also teaches that the recording is started in the standard speed dubbing mode without transmitting any data to a payment imposing unit since Yoshioka is not concerned with paying for the service. Thus, it would have been obvious to one having ordinary skill in the art to implement either scenario (payment required or no payment required) in the system of Ball in view of the teachings of Susuki and Yoshioka. If one was concerned about receiving payment for the dubbing service at increased speeds, then, it would have been obvious to one having ordinary skill in the art to modify Ball and adopt the teachings of Susuki to allow for charging based upon the dubbing speed. If one was not concerned about receiving payment or offering the service for free if the standard dubbing

Art Unit: 3621

speed is used, then, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify Ball and adopt the teachings of Yoshioak to allow for recording at a standard speed without transmitting data to a payment imposing unit, thereby, starting the recording without charging the user.

Ball further discloses making royalty payments to copyright holders, however, fails to specifically disclose transferring the payment collected to an account specified by the copyright holder. Freeny discloses a system for reproducing information in material objects at a point of sale and further disclose using an owner code to identify the owner of the information to be recorded (Col. 6, lines 15-24; Col. 6 line 67-Col. 7 line 15) and transferring funds to an account specified by the copyright holder or owner of the information as part of a credit card transaction (Col. 13, lines 25-40). Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Ball and adopt the teachings of Freeny in order for the copyright holder or owner of the information to receive direct compensation for the sale of the recording.

**Re claim 2:** Ball does not explicitly disclose the use of a key data generator for the payment imposing unit. However, Ball discloses the use of a communication link (page 5, lines 10) for automatic forwarding of the royalty fees involved in the operation of the apparatus. Thus, it would have been obvious to one of ordinary skill in the art to employ a key data generator for the payment imposing unit (i.e., accounting means) to generate key data for secure transmission of the completion of imposing payment over the communication link to the apparatus.

**Re claims 3, 4:** It is fundamental in the art to verify the key data transmitted through the communication link by collating with key data held by the apparatus to prevent fraud. Further, Ball discloses recording of the data onto the second recording medium based on the judging to discourage subsequent unauthorized copying from the dispensed tapes.

Art Unit: 3621

**Re claim 5:** It is fundamental in the art to transfer any information after authentication of the key to prevent fraud.

**Re claims 6, 7:** Ball does not explicitly disclose canceling the imposed payment when the selected dubbing speed is a predetermined speed. However, Yoshioka discloses digital disc reproduction system and teaches a record/playback unit to read data from a first recording medium (Figure 2, CD Player 12) and record onto a second recording medium (Figure 2, cassette recorder 11). Yoshioka further teaches a control unit (microcomputer) for controlling the recording operation in fast speed dubbing mode as well as standard speed dubbing mode using a selector switch (Col. 5, lines 7-20). Yoshioka also teaches that the recording is started in the standard speed dubbing mode without transmitting any data to a payment imposing unit since Yoshioka is not concerned with paying for the service. Thus, it would have been obvious to one having ordinary skill in the art to implement either scenario (payment required or no payment required) in the system of Ball in view of the teachings of Susuki and Yoshioka. If one was concerned about receiving payment for the dubbing service at increased speeds, then, it would have been obvious to one having ordinary skill in the art to modify Ball and adopt the teachings of Susuki to allow for charging based upon the dubbing speed. If one was not concerned about receiving payment or offering the service for free if the standard dubbing speed is used, then, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify Ball and adopt the teachings of Yoshioak to allow for recording at a standard speed without transmitting data to a payment imposing unit, thereby, starting the recording without charging the user.

**Re claim 8:** Ball further discloses an operating unit (i.e., royalty encoding means) connected to the control unit and a data storage unit (i.e., master tapes) where a plurality of data is stored, wherein the control unit reads out corresponding data from the data storage unit in response to indicator data supplied in response to an information input from the operating unit and directs the record/playback unit to record the data read out from the data storage unit onto the first recording medium (Page 2, lines 54-63; Page 4, lines 54-61).

**Re claim 9, 10:** Ball discloses various embodiments including the data storage unit and the payment imposing unit are connected via a communications line to the control unit (page 5, lines 10-23).

**Re claim 11:** Ball discloses a record/playback method of reading out data from a first recording medium and recording the data onto a second recording medium with the use of an apparatus capable of reading out the data from the first recording medium and recording the data onto the second recording medium (Page 2, lines 6-10 and page 3 lines 35-37 ; Page 3, line 60-Page 4 line 27, the method comprising the steps of:

reading out corresponding data from a data storage unit where a plurality of data is stored and recording the data onto a second recording medium in response to indicator data received from an operating unit in an apparatus for reading out data from a first recording medium and recording the data onto a second recording medium (page 2, lines 6-10; page 3 lines 35-37 ; page 3, line 60-Page 4 line 27);

generating basic data for imposing payment (Page 3, lines 6-15 and 32-38; Page 5, lines 15-22) based on a copyright holder ID read from the first recording medium (Page 3, lines 7-20; Page 5, lines 15-22) and data indicative of a user identification (Page 3, lines 15-20) (i.e., based on input identification, basic data should be generated to calculate an appropriate royalty

transmitting the basic data for imposing payment from the apparatus to a payment imposing unit (i.e., after generating the basic data based on input identification, the basic data should be transferred to a payment imposing unit (i.e., accounting means) to calculate the appropriate royalty (Page 3, lines 5-20 and 32-37; Page 5, lines 15-22);

imposing payment according to the basic data for imposing payment received and generating data indicative of completion of imposing payment thereby verifying an electronic transfer of funds from an account of the specific user in the payment imposing unit (i.e., after calculating the appropriate royalty, the machine will require payment of the royalty) (Page 3, lines 5-20 and 32-37; Page 5, lines 10-22; Page 9, lines 45-48);



Art Unit: 3621

transmitting the data indicative of the completion of imposing payment from the payment imposing unit to the apparatus (i.e., after the royalty is paid by a user, the data of the completion of payment should be transferred to the apparatus)( Page 3, lines 5-20 and 32-37; Page 5, lines 10-22; Page 9, lines 45-48); and

directing the apparatus to start recording the data read out from the first recording medium onto the second recording medium in response to the data indicative of the completion of imposing payment (i.e., after receiving the data of the completion of payment from the payment imposing unit (i.e., accounting means), the apparatus would make a copy of selected music)( Page 3, lines 5-20 and 32-37; Page 5, lines 10-22; Page 9, lines 45-48).

Ball does not explicitly disclose that an amount of payment is determined according to the dubbing speed selected by the user for recording the data read out from the first recording medium onto the second recording medium and a payment amount for a user is determined according to the dubbing speed and data indicative of user identification.

Suzuki discloses an information providing apparatus that enables a user select information to be recorded and also enables the user to select a speed at which the information is transmitted and recorded to a local terminal (Col. 9, lines 58-64; Col. 10, lines 8-43; Col. 14, lines 1-7 and 54-67) and further teaches wherein the payment imposed on the user is based on the transmission or recording speed selected by the user (Figures 13-14 and 17-18; Col. 6, lines 43-49 and 55-60; Col. 13, lines 24-48 and Col. 20, lines 30-35). Thus, it would have been obvious to one having ordinary skill in the art at the time of applicant's invention to modify the method of and adopt the teachings of Suzuki and incorporate the ability to charge different fees based upon the recording speed. Suzuki provides motivation by indicating that this would provide more flexibility due to the fact that the user can be charged a fee based upon the quality and value of the information provided (Col. 5, lines 1-5; Col. 6, lines 55-60; Col. 20, lines 30-35).

Ball further discloses setting the dubbing speed to 1, 8 or N times, wherein 1 would indicate a standard speed for recording, however, fails to disclose causing the record/playback unit to start the recording of the data read out from the first recording medium onto the second recording medium at a standard dubbing speed without transmitting the basic data to the payment imposing unit. Yoshioka

Art Unit: 3621

discloses digital disc reproduction system and teaches a record/playback unit to read data from a first recording medium (Figure 2, CD Player 12) and record onto a second recording medium (Figure 2, cassette recorder 11). Yoshioka further teaches a control unit (microcomputer) for controlling the recording operation in fast speed dubbing mode as well as standard speed dubbing mode using a selector switch (Col. 5, lines 7-20). Yoshioka also teaches that the recording is started in the standard speed dubbing mode without transmitting any data to a payment imposing unit since Yoshioka is not concerned with paying for the service. Thus, if one was not concerned about receiving payment or offering the service for free if the standard dubbing speed is used, then, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify Ball and adopt the teachings of Yoshioka to allow for recording at a standard speed without transmitting data to a payment imposing unit, thereby, starting the recording without charging the user.

Ball further discloses making royalty payments to copyright holders, however, fails to specifically disclose transferring the payment collected to an account specified by the copyright holder. Freney discloses a system for reproducing information in material objects at a point of sale and further disclose using an owner code to identify the owner of the information to be recorded (Col. 6, lines 15-24; Col. 6 line 67-Col. 7 line 15) and transferring funds to an account specified by the copyright holder or owner of the information as part of a credit card transaction (Col. 13, lines 25-40). Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Ball and adopt the teachings of Freney in order for the copyright holder or owner of the information to receive direct compensation for the sale of the recording.

**Re claim 12:** Ball does not explicitly disclose the step of generating key data using the payment imposing unit as the data indicative of the completion of imposing payment from the basic data received. However, Ball discloses the use of a communication link (page 5, lines 10) for automatic forwarding of the royalty fees involved in the operation of the apparatus. Thus, it would have been obvious to one of ordinary skill in the art to generate key data for secure transmission of the completion of imposing payment over the communication link to the apparatus.

Art Unit: 3621

**Re claims 13, 14:** It is fundamental in the art to verify the key data transmitted through the communication link by collating with key data held by the apparatus to prevent fraud. Further, Ball discloses recording of the data onto the second recording medium based on the judging to discourage subsequent unauthorized copying from the dispensed tapes.

**Re claim 15:** It is fundamental in the art to transfer any information after authentication of the key to prevent fraud.

**Re claim 16, 17:** Ball does not explicitly disclose canceling the imposed payment when the selected dubbing speed is a predetermined speed. However, Yoshioka discloses digital disc reproduction system and teaches a record/playback unit to read data from a first recording medium (Figure 2, CD Player 12) and record onto a second recording medium (Figure 2, cassette recorder 11). Yoshioka further teaches a control unit (microcomputer) for controlling the recording operation in fast speed dubbing mode as well as standard speed dubbing mode using a selector switch (Col. 5, lines 7-20). Yoshioka also teaches that the recording is started in the standard speed dubbing mode without transmitting any data to a payment imposing unit since Yoshioka is not concerned with paying for the service. Thus, it would have been obvious to one having ordinary skill in the art to implement either scenario (payment required or no payment required) in the system of Ball in view of the teachings of Susuki and Yoshioka. If one was concerned about receiving payment for the dubbing service at increased speeds, then, it would have been obvious to one having ordinary skill in the art to modify Ball and adopt the teachings of Susuki to allow for charging based upon the dubbing speed. If one was not concerned about receiving payment or offering the service for free if the standard dubbing speed is used, then, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify Ball and adopt the teachings of Yoshioak to allow for recording at a standard speed without transmitting data to a payment imposing unit, thereby, starting the recording without charging the user.

Art Unit: 3621

**Re claim 18:** Ball discloses reading out corresponding data from a data storage unit in response to indicator data supplied from an operating unit (i.e., a customer selects musical pieces) and recorded onto the first recording medium (i.e., transferred to video disk) where the corresponding data corresponds to the indicator data (i.e., the data to be recorded is matched to the identification of the customer).

### ***Conclusion***

6. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.
  - Endoh discloses a recording control apparatus and further teach storing a copyright holder ID on the source recording medium.
  - Moriyama et al disclose a sound reproducing apparatus and further teach a copyright code indicative of the information owner stored in the source recording medium
  
7. The prior art previously made of record and not relied upon is considered pertinent to applicant's disclosure.
  - Donovan et al. (US PAT. 6,012,032) are cited by the Examiner to support his position of billing the use of data access based on various factors including the speed.

Art Unit: 3621

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to John Hayes whose telephone number is (703)306-5447. The examiner can normally be reached Monday through Friday from 5:30 to 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jim Trammell, can be reached on (703) 305-9768.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

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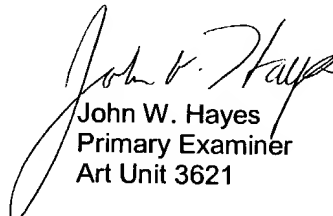
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Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, 7<sup>th</sup> floor receptionist.

  
John W. Hayes  
Primary Examiner  
Art Unit 3621

July 16, 2004